Advertising planning with RegioGraph and GfK Demographics

DBW Werbeagentur GmbH is an agency that provides support for marketing, merchandising and advertising. In the household advertising sector, DBW offers a comprehensive spectrum of services along with seamless transparency in all planning phases. Project coordinator Damir Begovic relies on RegioGraph for the successful completion of these operations.

DBW provides household advertising services in a modern, streamlined manner. DBW's continually growing operations now encompass a yearly production volume of more than 100 million advertising materials. The company coordinates the sale of advertising materials, prospectuses, catalogs, magazines and product samples in the German federal state of North Rhine-Westphalia.

The company's customers also include grocery stores, car dealerships as well as insurance companies and banks. Using the geomarketing software RegioGraph and the GfK Demographics dataset, DBW provides these companies with added value through the efficient planning and implementation of flyer distribution campaigns.

Example: Planning a media campaign for a grocery story retailer

The management division of a grocery retailer want to advertise in the vicinity of a specific branch location. "The first

step involved management shading in the catchment area of its branch location on a paper map," explains project coordinator Damir Begovic. "Management then wanted to know how many households existed in this catchment area in order to determine the number of flyers that should be printed. Often only individual city sections or city-center postcodes are named as ideal distribution areas for the flyers."

DBW proceeds as follows:

The first step involves importing and visualizing customer locations on a digital map using the geomarketing software RegioGraph Planning. The subsequent planning steps are carried out on the basis of the software's integrated digital country and street maps as well as the data on potential such as inhabitant and household figures. In addition to GfK Purchasing Power figures that reveal the disposable net income of the population of a given region (postcode, municipality or urban/rural district), DBW uses further GfK market and potential data to precisely measure the concentration of its customers intended target groups. The GfK Demographics dataset provides data at the level of street segments, revealing the distribution of household types (family or single), age groups and income brackets (from low-earners to top-

earners). This enables Damir Begovic to view not only regions and streets in the software, but also the target group distribution. Areas with an above-average concentration of the desired target group can be color-coded in RegioGraph for easier recognition. A heat map effect can be applied to the map that makes it possible to quickly view detailed information on the target group concentration on a region by region basis.

Using RegioGraph to plan flyer distribution areas for a grocery retailer in Bochum, Germany.
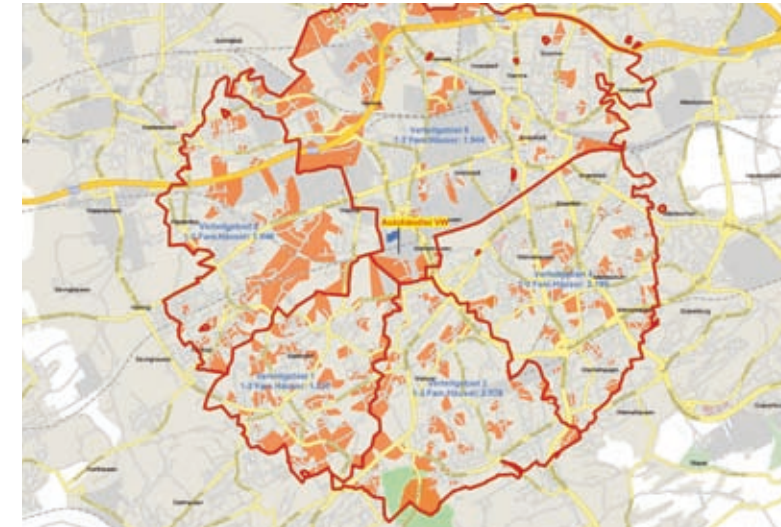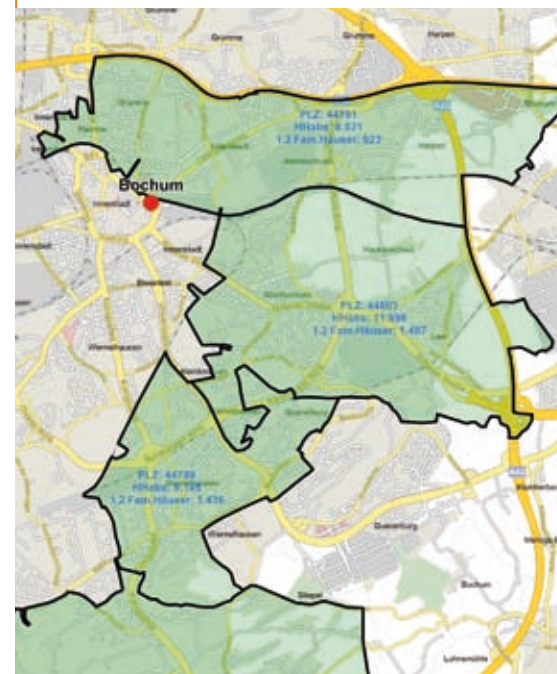
Automobile dealers also rely on the regional target group analyses for their marketing.

In the next step, Begovic uses RegioGraph to generate a catchment area around his client's location that encompasses a maximum of 10,000 households – the number that corresponds to the target print run for the flyer distribution. The software then automatically recommends the ideal regions and streets in which the target group share (1-2 family homes) is high. The relevant street areas can be visualized with RegioGraph and exported in the form of a street directory, complete with house number ranges. The precise number of required flyers can then be determined for the given catchment area and selected target group.

Should DBW's customers request it, the final step involves planning the actual distribution of the flyers. Damir Begovic equitably divides the catchment area containing 10,000 households among the flyer distributors: At the press of a button, RegioGraph creates five distributor regions that have been automatically optimized according to workload and geographic unity in order to facilitate as efficient a distribution of the flyers as possible. Finally, Begovic exports the street lists for each distributor region into an Excel file and sends it to the distributors along with the requisite number of fliers.

Begovic is happy about being able to offer his customers this level of customer service thanks to his use RegioGraph: "We're able to help our customers make optimal use of their budget thanks to geomarketing and the geographic analysis and determination of target group potential. The software's speed and transparent results save our agency significant time and money, which generates benefits we are able to pass on to our customers. I'm truly enthusiastic about RegioGraph's ability to carry out precision geographic analyses and planning. I simply cannot imagine our daily operations without RegioGraph and the associated market data."

Additional advertising planning options with RegioGraph and GfK market data

The identified target regions with a high target group potential can be color-coded using any of the almost 100 analysis and display options. These options offer numerous additional fine-tuning possibilities – for example, you can further differentiate the target group potential of a given region by categorizing and displaying it as "average", "high" or "very high". This allows you to improve the response rate for your marketing campaigns by distributing material only in those areas that fall into the "very high" target group potential category.

This is an excellent strategy, because only prospective customers with a high level of interest will receive the company mailings. This saves resources and increases the likelihood of a favorable response. You can also use RegioGraph to gauge the success of an advertising campaign by calculating the regional response rate. This is done by comparing the results of point-of-sale surveys with the target group potential. Companies can use the results of these analyses to further refine their target group definition, resulting in even better response rates in the future.